Boeing Relocating C-130 AMP, B-1 Program to Oklahoma City

LONG BEACH, Calif., Aug. 2, 2010 -- The Boeing Company [NYSE: BA] today announced it will relocate the C-130 Avionics Modernization Program (AMP) and B-1 Program from Long Beach to Oklahoma City. The move will begin with C-130 AMP starting in the first quarter of 2011 and conclude by the end of 2012 with the move of the B-1 Program.

Both programs are part of the Maintenance, Modifications & Upgrades (MM&U) division of the Global Services & Support (GS&S) business unit of Boeing Defense, Space & Security. The programs now employ approximately 800 people in Southern California. About 550 positions will be relocated to Oklahoma City. The remaining positions will be reduced from the programs over the next two years as contracts are fulfilled.

MM&U Vice President and General Manager Mark Bass said relocating the programs will help Boeing provide a more competitive cost structure for customers.

"Making a decision like this is never easy, but as we reviewed our anticipated operating costs for the next several years, it became clear that Boeing needs to take major actions on these programs in order to remain affordable for our customers," Bass said. "We remain committed to maintaining the excellent record of performance that our employees deliver for our U.S. Air Force B-1 and C-130 AMP customers during this transition."

During the move, some employees will be relocated, while other positions will be posted and hired locally in Oklahoma City. Company managers are determining which employees will be offered relocation to Oklahoma City. Boeing will provide assistance for workers who do not make the transition, including help in searching for other potential positions within the company.

"We will communicate openly and often with our employees throughout this process," Bass said.

C-130 AMP brings commonality to the C-130 fleet by offering flexibility in assigning aircrew, regardless of the model design type, and reducing aircraft operating costs while addressing obsolescence and providing for future capability growth. The program recently was approved by the Air Force for low-rate initial production.

The Boeing B-1 Program is modernizing the B-1 Lancer bomber to further enhance its conventional munitions capability. Multiple upgrades are being tested this year to improve the bomber's capabilities.

A unit of The Boeing Company, Boeing Defense, Space & Security is one of the world's largest defense, space and security businesses specializing in innovative and capabilities-driven customer solutions, and the world's largest and most versatile manufacturer of military aircraft. Headquartered in St. Louis, Boeing Defense, Space & Security is a $34 billion business with 68,000 employees worldwide.

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